

House Engrossed

**FILED**

**JANICE K. BREWER  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

**CHAPTER 256**

# **HOUSE BILL 2056**

AN ACT

AMENDING SECTIONS 28-2351, 28-2403, 28-2405, 28-6501, 28-6991, 28-6993 AND 41-608, ARIZONA REVISED STATUTES; AMENDING TITLE 28, CHAPTER 7, ARTICLE 12, ARIZONA REVISED STATUTES, BY ADDING SECTION 28-2425; RELATING TO SPECIAL LICENSE PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-2351, Arizona Revised Statutes, is amended to  
3 read:

4 28-2351. License plate provided; design

5 A. The department shall provide to every owner one license plate for  
6 each vehicle registered. At the request of the owner and on payment of any  
7 required fee, the department shall provide either one or two license plates  
8 for a vehicle for which a special plate is requested pursuant to this  
9 chapter, except that the department shall provide one license plate if the  
10 special plate is issued pursuant to section 28-2404, 28-2409 or 28-2416.

11 B. The license plate shall display the number assigned to the vehicle  
12 and to the owner of the vehicle and the name of this state, which may be  
13 abbreviated. The director shall coat the license plate with a reflective  
14 material that is consistent with the determination of the license plate  
15 commission established by section 28-2405 regarding the color and design of  
16 license plates and special plates as prescribed by section 28-2405. The  
17 director shall design the license plate and the letters and numerals on the  
18 license plate to be of sufficient size to be plainly readable during daylight  
19 from a distance of one hundred feet. In addition to the standard license  
20 plate issued for a trailer before ~~the effective date of this amendment to~~  
21 ~~this section~~ AUGUST 12, 2005, the director shall issue a license plate for  
22 trailers that has a design that is similar to the standard size license plate  
23 for trailers but that is the same size as the license plate for motorcycles.  
24 The trailer owner shall notify the department which size license plate the  
25 owner wants for the trailer.

26 C. Notwithstanding any other law, the department shall not contract  
27 with a nongovernmental entity to purchase or secure reflective material for  
28 the plates issued by the department unless the department has made a  
29 reasonable effort to secure qualified bids or proposals from as many  
30 individual responsible respondents as possible.

31 D. The license plate commission established by section 28-2405 shall  
32 determine the color and design of the license plate. All other plates issued  
33 by the department, except the plates issued pursuant to sections 28-2412,  
34 28-2413, 28-2414, 28-2416 through ~~28-2424~~ 28-2425, 28-2452, 28-2453, 28-2454  
35 and 28-2455 and article 14 of this chapter, shall be the same color as and  
36 similar in design to the license plate as determined by the commission.

37 E. A passenger motor vehicle rented without a driver shall receive the  
38 same type of license plate as issued for a private passenger motor vehicle.

39 Sec. 2. Section 28-2403, Arizona Revised Statutes, is amended to read:

40 28-2403. Special plates; transfers; violation; classification

41 A. Except as otherwise provided in this article, the department shall  
42 issue or renew special plates in lieu of the regular license plates pursuant  
43 to the following conditions and procedures and only if the requirements  
44 prescribed by this article for the requested special plates are met:

1           1. Except as provided in section 28-2416, a person who is the  
2 registered owner of a vehicle registered with the department or who applies  
3 for an original or renewal registration of a vehicle may submit to the  
4 department a completed application form as prescribed by the department with  
5 the fee prescribed by section 28-2402 for special plates in addition to the  
6 registration fee prescribed by section 28-2003.

7           2. Except for plates issued pursuant to sections 28-2412, 28-2413,  
8 28-2414, 28-2416 through ~~28-2424~~ 28-2425, 28-2452, 28-2453, 28-2454 and  
9 28-2455 and article 14 of this chapter, the special plates shall be the same  
10 color as and similar to the design of the regular license plates that is  
11 determined by the license plate commission pursuant to section 28-2351.

12           3. Except as provided in section 28-2416, the department shall issue  
13 special plates only to the owner or lessee of a vehicle that is currently  
14 registered, including any vehicle that has a declared gross weight, as  
15 defined in section 28-5431, of twenty-six thousand pounds or less.

16           4. Except as provided in section 28-2416, the department shall charge  
17 the fee prescribed by section 28-2402 for each annual renewal of special  
18 plates in addition to the registration fee prescribed by section 28-2003.

19           B. Except as provided in section 28-2416, on notification to the  
20 department and on payment of the transfer fee prescribed by section 28-2402,  
21 a person who is issued special plates may transfer the special plates to  
22 another vehicle the person owns or leases. Persons who are issued special  
23 plates for hearing impaired persons pursuant to section 28-2408 and  
24 international symbol of access special plates pursuant to section 28-2409 are  
25 exempt from the transfer fee. If a person who is issued special plates  
26 sells, trades or otherwise releases ownership of the vehicle on which the  
27 plates have been displayed, the person shall immediately report the transfer  
28 of the plates to the department or the person shall surrender the plates to  
29 the department as prescribed by the director. It is unlawful for a person to  
30 whom the plates have been issued to knowingly permit them to be displayed on  
31 a vehicle except the vehicle authorized by the department.

32           C. The special plates shall be affixed to the vehicle for which  
33 registration is sought in lieu of the regular license plates.

34           D. A person is guilty of a class 3 misdemeanor who:

35           1. Violates subsection B of this section.

36           2. Fraudulently gives false or fictitious information in the  
37 application for or renewal of special plates or placards issued pursuant to  
38 this article.

39           3. Conceals a material fact or otherwise commits fraud in the  
40 application for or renewal of special plates or placards issued pursuant to  
41 this article.

42           Sec. 3. Section 28-2405, Arizona Revised Statutes, is amended to read:  
43 28-2405. License plate commission

44           A. A license plate commission is established. The commission is  
45 composed of the following members:

1           1. Two public members who are appointed by the director of the  
2 department of transportation.

3           2. A person who is appointed by the governor from the governor's  
4 office of highway safety and who serves at the pleasure of the governor.

5           3. The director of the department of public safety or the director's  
6 designee.

7           4. The director of the department of transportation or the director's  
8 designee.

9           5. The director of the office of tourism or the director's designee.

10          6. The director of the state department of corrections or the  
11 director's designee.

12          B. The director of the department of transportation or the director's  
13 designee shall serve as chairman of the commission. The chairman shall  
14 preside at commission meetings and coordinate the activities of the  
15 commission and staff implementation of commission actions.

16          C. All official actions of the commission shall be decided by a  
17 majority vote of commission members.

18          D. The commission shall determine the following:

19           1. The color and design of license plates.

20           2. The color of special plates to be the same as and the design of  
21 special plates to be similar to the license plates, except for special plates  
22 issued pursuant to sections 28-2412, 28-2413, 28-2414, 28-2416 through  
23 ~~28-2424~~ 28-2425, 28-2452, 28-2453, 28-2454 and 28-2455 and article 14 of this  
24 chapter.

25           3. Whether to authorize special organization plates pursuant to  
26 section 28-2404.

27           4. The indicia for special organization plates issued pursuant to  
28 section 28-2404.

29          E. The department shall provide the commission with staff and  
30 technical assistance as necessary to perform its functions.

31          F. Commission members are not eligible to receive compensation, but  
32 the members who are appointed pursuant to subsection A, paragraphs 1 and 2 of  
33 this section are eligible for reimbursement of expenses pursuant to title 38,  
34 chapter 4, article 2.

35          Sec. 4. Title 28, chapter 7, article 12, Arizona Revised Statutes, is  
36 amended by adding section 28-2425, to read:

37           28-2425. Military support special plates

38           A. THE DEPARTMENT OF TRANSPORTATION SHALL ISSUE MILITARY SUPPORT  
39 SPECIAL PLATES. THE COSTS OF ISSUING THE MILITARY SUPPORT SPECIAL PLATES  
40 SHALL BE PAID BY MONIES IN THE VETERANS' DONATION FUND ESTABLISHED PURSUANT  
41 TO SECTION 41-608. THE DEPARTMENT OF VETERANS' SERVICES AND THE DEPARTMENT  
42 OF TRANSPORTATION SHALL DESIGN THE MILITARY SUPPORT SPECIAL PLATES. THE  
43 DIRECTOR MAY ALLOW A REQUEST FOR MILITARY SUPPORT SPECIAL PLATES TO BE  
44 COMBINED WITH A REQUEST FOR PERSONALIZED SPECIAL PLATES. IF THE DIRECTOR  
45 ALLOWS SUCH A COMBINATION, THE REQUEST SHALL BE IN A FORM PRESCRIBED BY THE

1 DIRECTOR AND IS SUBJECT TO THE FEES FOR THE PERSONALIZED SPECIAL PLATES IN  
2 ADDITION TO THE FEES REQUIRED FOR MILITARY SUPPORT SPECIAL PLATES.

3 B. OF THE TWENTY-FIVE DOLLAR FEE REQUIRED BY SECTION 28-2402 FOR THE  
4 ORIGINAL SPECIAL PLATES AND FOR RENEWAL OF SPECIAL PLATES, EIGHT DOLLARS IS A  
5 SPECIAL PLATE ADMINISTRATION FEE AND SEVENTEEN DOLLARS IS AN ANNUAL DONATION.

6 C. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND  
7 35-147, ALL SPECIAL PLATE ADMINISTRATION FEES IN THE STATE HIGHWAY FUND  
8 ESTABLISHED BY SECTION 28-6991 AND ALL DONATIONS COLLECTED PURSUANT TO THIS  
9 SECTION IN THE VETERANS' DONATION FUND ESTABLISHED BY SECTION 41-608.

10 Sec. 5. Section 28-6501, Arizona Revised Statutes, is amended to read:  
11 28-6501. Definition of highway user revenues

12 In this article, unless the context otherwise requires or except as  
13 otherwise provided by statute, "highway user revenues" means all monies  
14 received in this state from licenses, taxes, penalties, interest and fees  
15 authorized by the following:

16 1. Chapters 2, 7, 8 and 15 of this title, except for:  
17 (a) The special plate administration fees prescribed in sections  
18 28-2404, 28-2412 through ~~28-2424~~ 28-2425 and 28-2514.

19 (b) The donations prescribed in sections 28-2404, 28-2412 through  
20 28-2415, 28-2417 through ~~28-2424~~ 28-2425, 28-2453, 28-2454 and 28-2455.

21 2. Chapters 10 and 11 of this title.

22 3. Chapter 16, articles 1, 2 and 4 of this title, except as provided  
23 in sections 28-5926 and 28-5927.

24 Sec. 6. Section 28-6991, Arizona Revised Statutes, is amended to read:  
25 28-6991. State highway fund; sources

26 A state highway fund is established that consists of:

27 1. Monies distributed from the Arizona highway user revenue fund  
28 pursuant to chapter 18 of this title.

29 2. Monies appropriated by the legislature.

30 3. Monies received from donations for the construction, improvement or  
31 maintenance of state highways or bridges. These monies shall be credited to  
32 a special account and shall be spent only for the purpose indicated by the  
33 donor.

34 4. Monies received from counties under cooperative agreements,  
35 including proceeds from bond issues. The state treasurer shall deposit these  
36 monies to the credit of the fund in a special account on delivery to the  
37 treasurer of a concise written agreement between the department and the  
38 county stating the purposes for which the monies are surrendered by the  
39 county, and these monies shall be spent only as stated in the agreement.

40 5. Monies received from the United States under an act of Congress to  
41 provide aid for the construction of rural post roads, but monies received on  
42 projects for which the monies necessary to be provided by this state are  
43 wholly derived from sources mentioned in paragraphs 2 and 3 of this section  
44 shall be allotted by the department and deposited by the state treasurer in  
45 the special account within the fund established for each project. On

1 completion of the project, on the satisfaction and discharge in full of all  
2 obligations of any kind created and on request of the department, the  
3 treasurer shall transfer the unexpended balance in the special account for  
4 the project into the state highway fund, and the unexpended balance and any  
5 further federal aid thereafter received on account of the project may be  
6 spent under the general provisions of this title.

7 6. Monies in the custody of an officer or agent of this state from any  
8 source that is to be used for the construction, improvement or maintenance of  
9 state highways or bridges.

10 7. Monies deposited in the state general fund and arising from the  
11 disposal of state personal property belonging to the department.

12 8. Receipts from the sale or disposal of any or all other property  
13 held by the department and purchased with state highway monies.

14 9. Monies generated pursuant to section 28-410.

15 10. Monies distributed pursuant to section 28-5808, subsection B,  
16 paragraph 2, subdivision (d).

17 11. Monies deposited pursuant to sections 28-1143, 28-2353 and 28-3003.

18 12. Except as provided in section 28-5101, the following monies:

19 (a) Monies deposited pursuant to section 28-2206 and section 28-5808,  
20 subsection B, paragraph 2, subdivision (e).

21 (b) One dollar of each registration fee and one dollar of each title  
22 fee collected pursuant to section 28-2003.

23 (c) Two dollars of each late registration penalty collected by the  
24 director pursuant to section 28-2162.

25 (d) The air quality compliance fee collected pursuant to section  
26 49-542.

27 (e) The special plate administration fees collected pursuant to  
28 sections 28-2404, 28-2412 through ~~28-2424~~ 28-2425 and 28-2514.

29 (f) Monies collected pursuant to sections 28-372, 28-2155 and 28-2156  
30 if the director is the registering officer.

31 13. Monies deposited pursuant to chapter 5, article 5 of this title.

32 14. Donations received pursuant to section 28-2269.

33 15. Dealer and registration monies collected pursuant to section  
34 28-4304.

35 16. Abandoned vehicle administration monies deposited pursuant to  
36 section 28-4804.

37 17. Monies deposited pursuant to section 28-710, subsection D,  
38 paragraph 2.

39 Sec. 7. Section 28-6993, Arizona Revised Statutes, is amended to read:  
40 28-6993. State highway fund; authorized uses

41 A. Except as provided in subsection B of this section and section  
42 28-6538, the state highway fund shall be used for any of the following  
43 purposes in strict conformity with and subject to the budget as provided by  
44 this section and by sections 28-6997 through 28-7003:

1           1. To pay salaries, wages, necessary travel expenses and other  
2 expenses of officers and employees of the department and the incidental  
3 office expenses, including telegraph, telephone, postal and express charges  
4 and printing, stationery and advertising expenses.

5           2. To pay for both:

6           (a) Equipment, supplies, machines, tools, department offices and  
7 laboratories established by the department.

8           (b) The construction and repair of buildings or yards of the  
9 department.

10          3. To pay the cost of both:

11          (a) Engineering, construction, improvement and maintenance of state  
12 highways and parts of highways forming state routes.

13          (b) Highways under cooperative agreements with the United States that  
14 are entered into pursuant to this chapter and an act of Congress providing  
15 for the construction of rural post roads.

16          4. To pay land damages incurred by reason of establishing, opening,  
17 altering, relocating, widening or abandoning portions of a state route or  
18 state highway.

19          5. To reimburse the department revolving account.

20          6. To pay premiums on authorized indemnity bonds and on compensation  
21 insurance under the workers' compensation act.

22          7. To defray lawful expenses and costs required to administer and  
23 carry out the intent, purposes and provisions of this title, including  
24 repayment of obligations entered into pursuant to this title, payment of  
25 interest on obligations entered into pursuant to this title, repayment of  
26 loans and other financial assistance, including repayment of advances and  
27 interest on advances made to the department pursuant to section 28-7677, and  
28 payment of all other obligations and expenses of the board and department  
29 pursuant to chapter 21 of this title.

30          8. To pay lawful bills and charges incurred by the state engineer.

31          9. To acquire, construct or improve entry roads to state parks or  
32 roads within state parks.

33          10. To acquire, construct or improve entry roads to state prisons.

34          11. To pay the cost of relocating a utility facility pursuant to  
35 section 28-7156.

36          12. For the purposes provided in subsections C, D and E of this section  
37 and sections 28-1143, 28-2353 and 28-3003.

38          B. For each fiscal year, the department of transportation shall  
39 allocate and transfer monies in the state highway fund to the department of  
40 public safety for funding a portion of highway patrol costs in eight  
41 installments in each of the first eight months of a fiscal year that do not  
42 exceed ten million dollars.

43          C. Subject to legislative appropriation, the department may use the  
44 monies in the state highway fund as prescribed in section 28-6991, paragraph  
45 12 to carry out the duties imposed by this title for registration or titling

1 of vehicles, to operate joint title, registration and driver licensing  
2 offices, to cover the administrative costs of issuing the air quality  
3 compliance sticker, modifying the year validating tab and issuing the  
4 windshield sticker and to cover expenses and costs in issuing special plates  
5 pursuant to sections 28-2404, 28-2412 through ~~28-2424~~ 28-2425 and 28-2514.

6 D. The department shall use monies deposited in the state highway fund  
7 pursuant to chapter 5, article 5 of this title only as prescribed by that  
8 article.

9 E. Monies deposited in the state highway fund pursuant to section  
10 28-2269 shall be used only as prescribed by that section.

11 F. Monies deposited in the state highway fund pursuant to section  
12 28-710, subsection D, paragraph 2 shall only be used for state highway work  
13 zone traffic control devices.

14 G. The department may exchange monies distributed to the state highway  
15 fund pursuant to section 28-6538, subsection A, paragraph 1 for local  
16 government surface transportation program federal monies suballocated to  
17 councils of government and metropolitan planning organizations if the local  
18 government scheduled to receive the federal monies concurs. An exchange of  
19 state highway fund monies pursuant to this subsection shall be in an amount  
20 that is at least equal to ninety per cent of the federal obligation authority  
21 that exists in the project for which the exchange is proposed.

22 Sec. 8. Section 41-608, Arizona Revised Statutes, is amended to read:

23 41-608. Veterans' donations fund

24 A. The veterans' donations fund is established consisting of monies,  
25 gifts and contributions donated to the department and monies deposited  
26 pursuant to sections 28-2414, 28-2425, 28-2453, 28-2454 and 28-2455. The  
27 department shall administer the fund. Monies in the fund are continuously  
28 appropriated. The monies in the fund are exempt from the provisions of  
29 section 35-190 relating to lapsing of appropriations.

30 B. The director or the director's designee may solicit and receive  
31 donations, including in-kind donations, from the public for veterans. The  
32 director shall deposit, pursuant to sections 35-146 and 35-147, the monetary  
33 donations in the veterans' donations fund. Monies in the fund are subject to  
34 state auditing procedures. The donations may be used for the benefit of the  
35 veterans within the state of Arizona at the discretion of the director.

36 C. The director shall inventory and account for the use of any  
37 tangible personal property donated to the fund.

38 D. On notice from the director, the state treasurer shall invest and  
39 divest monies in the fund as provided by section 35-313, and monies earned  
40 from investment shall be credited to the fund.

**APPROVED BY THE GOVERNOR MAY 8, 2006.**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 8, 2006.**